ABSTRACT

The rapid changing of information technology application and globalization in the past decade has allured Generation Y’s (Gen Y) to opt for environmentally friendly and convenient online purchasing to fulfil their shopping needs. The purpose of this study is to identify and employ a potential new concept of Omni–Contextual retail design typology and space programming facilities in Malaysia that could revolutionise the Gen-Y shopping experience. The desktop study investigates on the Gen-Y purchasing behaviour, the Gen Y shopping culture, and retail typologies to distinguish the effectiveness of Omni–Channel and Contextual Retail Design (CRD) in enhancing Gen Y shopping experience. This study found that interactive omni-channel retail spaces and contextual shopping culture can be the key factors that influence Gen Y ultimate shopping behaviour. The CRD space programming typology would benefit designers in developing better sustainable retail typologies, whilst retailers could gain sustainable business economics especially in Malaysia.

Keywords: Gen Y, Consumers’ culture, Fashion retail design, Omni – channel, National Culture

1. INTRODUCTION

The rapid changing of information technology application and globalization in the past decade has allured Generation Y’s (Gen Y) to opt for environment friendly and convenient online purchasing to fulfil their shopping needs (Bilgihan, 2016). Many studies found that internet has become a primary platform for IT savvy consumers to communicate and purchase in fulfilling their shopping needs (Kasuma et al, 2020); effective advertising and products selling (Miller, 2020); and ubiquitous of retails’ deals, services and choices (San Lim et al, 2016). Here, this study foresees that there is opportunity for the online sellers to utilize the current online technology to enhance purchasing experiences and boost retailer economics particularly the Gen Y.

In Malaysia, Gen Y makes up the highest percentage of the Internet population with 38% users (San, Omar and Thurasamy, 2015). This phenomenon reflects why Gen Y is being the target as they are well versed with today’s technological advance environment (San Lim et al, 2016). According to Atkins (2015), Gen-Y demands more for their customised and (ELS, 2017) to satisfy their physical and online retail activities. This study anticipates that online and offline purchasing are complementary to each other and could create the much needed consumer purchasing experiences (Juaneda-Ayensa, Mosquera and Sierra Murillo, 2016). In another vein, this study agrees with Henry, Hill and Leitch (2017) which reiterates that online shopping could offer shopping privacy and conveniences. Here, the findings of this study suggest that there is a need to design a new channel of shopping typologies to support online and offline retailing purchasing experiences, thus boosting retailers’ economics.
As the complexity of consumer shopping behaviour increases, retailers have adopted a new type of shopping experience across the entire purchasing process (Kim and Lee, 2020). Retailers are increasingly adopting the omni-channel retail design to fulfil the equilibrium of shopping experience and satisfaction among consumers, especially amongst the Gen Y (Nass et al, 2020; Ravula, Bhatnagar and Ghose, 2020). However, this study foresees that many developing countries like Malaysia is still far behind from this omni concept due to lack of data from limited research. This study proposes to investigate how the omni-channel could be adapted in the Malaysian fashion retail design therefore supporting the growing shopping demands. This would aid local fashion retailers in boosting their future revenue.

The purpose of this study is to identify and employ a potential new concept of Omni–Contextual retail design typology and space programming facilities in Malaysia that could revolutionise the Gen-Y shopping experience. This desktop study discusses the Gen-Y purchasing behaviour, the effects of contextual culture on space behaviour, and retail design typologies that align towards advanced technological demands. This study also recommends a contextual-omni fashion retail space programming adaptation that could enhance consumers’ purchasing behaviours in Malaysia.

2. LITERATURE REVIEW

This section discusses the Gen Y consumers, their shopping behaviour motivations and their shopping preferences.

2.1 Gen-Y purchasing behaviour

According to scholars (Autry and Berge, 2011; Weyland, 2011) Gen Y consumers are those partial in using communication technology and social media, having dual income households, inclusive of women workforce, and delayed childbearing (Ordun, 2015). Hence, this makes up the largest segment of the Malaysian internet population (Muda, Mohd and Hassan, 2016). Among the factors enticing Gen Y to buy online are ease of use, perceived usefulness, self-efficacy, perceived value, trust, price consciousness as well as flow and habit (Fei, 2019). This would reflect the need to enhance consumer’s purchasing experience whereby fast decision-making and engage returning consumers will yield successful business performance.

Recently, the Gen Ys’ are demanding more from their purchasing experience including personal customization (San Lim et al, 2016). This demand is believed to be the satisfaction of physical experience from physical retail activities (Atkins, 2015) which could offer real life experiences that a consumer could not experience via the web such as socialization, dining, entertainment, mixed use programming and outdoor experiences (ELS, 2017). In this case, the online and the offline purchasing are not competitors but they are complementary to each other. With both types of purchasing methods, the overall consumer purchasing experiences could be enhanced. At the moment, the traditional retails are unable to compete with the growth of online shopping that rewards personalization and convenience (Henry et al, 2017) therefore retailers would need a new channel of shopping to support these matters.

In the Social Learning Theory (SLT) it is suggested that human learn through observation (Martin and Bush, 2000; Solomon, 2004). The SLT theory indicated that learning take place in four sequential processes of 1) attention, 2) retention, 3) production and 4) motivation (Malhotra, Agarwal, & Peterson, 1996). In this case, attention processes are essential during Gen Y’s purchasing behaviour due to the way they attempt and extract information about the main features of the model behaviour (ibid.). Consequently, the retention process, the production and the motivation will take place when the individual retains the observed models’ behaviour in his/her memory (ibid.). Therefore, the authors foresee that the sequential processes of attention, retention, production and motivation could be the potential criteria in extracting customers’ information and behaviours. When making decision, Aliman et al (2018) reported that consumers decision–making styles are referred to the physical patterns of store’s spaces; mental and cognitive orientations towards buying and shopping; and the choice to buy or rejecting something. Here, the findings concur with Aliman et al (2018) who states that decision–making style is a mental retention process that helps consumers with making choices. This decision-making process is in line with Consumer Style Inventory (CSI) (Sproles, 1979) that shopping attitudes and behaviours are programmed and oriented towards buying and shopping.

The development of technologies further enhances physical store, digital store and catalogues to every stage of consumer’s purchasing processes (Niemeier, Zocchi and Catena, 2013); bargain price and opportunities purchasing drive (Berman and Evans, 2012) and longer shopping period (Mustakallio, 2015). With this in mind, the physical store layout together with online store are needed to enhance goods purchasing activities (Berman and Evans, 2012). Here, this study anticipates that these preferences could enrich Gen-Y’s purchasing behaviour and experiences. These findings agree with Yang, Zhao and Wan (2010) that online shopping limitations such as no spatial boundary and lacking of goods information for consumers, limited goods suitability, lacking store ambiance and lacking after sale services need to be addressed in order to enhance goods online-offline purchasing activities. Other scholars also highlighted the lacking of products identification, values and skills using online shopping (Salo and Karjaluoto, 2007), data risk prevention (Mazzini, Rohani and Salwana, 2016), and the culture of purchasing behaviour (Gentina et al, 2014) may hinder the
enhancement shopping experience for Gen Y. The findings illustrate agreement with Gentina et al (2014) and San Lim et al (2016) that culture shopping behaviour is seen as a crucial criteria that could impact shopping behaviour and therefore, needed to be investigated further. Therefore, this study offers to investigate further the potential online-offline culture space-programming retail design criteria that could enhance Gen-Y shopping behaviour and aid future retail performance.

2.2 Influence of National Culture on shopping behaviour

According to Hofstede (1997), culture is a collective programming of the mind with values shared among society or individuals. These shared values act as a guide to justify one’s behaviour morally to others in the society (Rokeach, 1968). This phenomenon reflects the Malaysian Gen-Y shopping behaviours due to their national culture values, thus motivating them to shop the way they shop now. Moreover, scholars found that the Malaysian shopping culture and trends are based on age, collective shopping, store environment and price (Terano et al, 2015; Alias and Abdullah, 2017; Mansori and Chin, 2019); convenient shopping experience (Azila Azmi et al, 2019); halal compliance factors (Kaur, 2015; Ernawati, 2019) and intrinsic motivations (Rostiani and Kuron, 2019) as preferences. These are in line with the idea where consumers do have different shopping culture preferences which reflect their purchasing behaviours (Gentina et al, 2014). In addition to that, different national culture empower different behaviours in making decision (Abdul Ghafar and Ibrahim, 2018), and the national culture-purchasing power duo could shape shoppers’ profile (Gilboa and Mitchell, 2020). This shows that the national shopping culture has a big impact on many aspects of consumer’s buying behaviours.

This study uses the six dimensions from Hofstede’s national culture matrix to measure: 1) power distance (PDI); 2) individualism (IDV); 3) masculinity (MAS) and 4) uncertainty avoidance (UA); 5) Long Term Orientation (LO); and 6) Indulgence (IND). Each of the dimension determines the norm values of symbol, heroes and rituals (Hofstede, 1997). IDV is referred to the dimension that measures “the degree of interdependence a society maintains among its members”; whilst PDI refers to a dimension that measures “the extent to which the less powerful members of institutions and organizations within a country expect and accept that power is distributed unequally”; MAS refers to a dimension that measures what motivates “the society to wanting be the best (Masculine) or liking what you do (Feminine)”; UA measures the dimension “to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these”; whilst LO is a dimension on “how every society has to maintain some links with its own past while dealing with the challenges of the present and future”; and IND is an index measuring “the extent to which people try to control their desires and impulses” (Hofstede, 2020).

In the Malaysian culture index, the PDI score is very high (100 out of 100) indicating that the society accepts hierarchical status where everyone has a specific place in the society. This reflect inequalities, very centralized, and upper ranking higher power to direct what to do to subordinates. Here, the consequences posit that when Malaysian go shopping, they tend to demand personalized services and processes to motivate their purchasing behaviour. However, the IDV score is low (score of 26 out of 120) indicating that Malaysians are normally highly committed to group ties such as family, extended family and relationships (Lim et al, 2017; Johnson Jorgensen and Ha, 2019). This shows that when Malaysians shop, they would bring along their family members to help in the decision making during purchasing. Additionally, a large number of Malaysians believe in trust or loyalty, therefore entailing a comfortable and hierarchical feeling in regards to social–status received by the public (Sumaco et al (2014).

Malaysia has scored 50 out of 120 points in MAS, which showcases that the Malaysian society is a patriarchal society but with much empathy towards the feminine values of the eastern beliefs and norms. Malaysia scores significantly lower (36 out of 120) in UAI as compared to the other dimensions. The low UAI scores elaborate that the society has a more relaxed attitude and could tolerate new changes with much suspicion. This is because they prefer to maintain traditional norms reflecting the low LT scores (41 out of 100). Malaysia scores low in IND scores (57 out of 100) signifying that Malaysians accept the impulse in buying as the desired willingness. Therefore, the shopping behaviour in Malaysia as compared to the USA shopping behaviours.

![Figure 1 : Hofstede’s National Culture Model of Malaysian Society (Source: https://www.hofstede-insights.com/product/compare-countries/)](https://www.hofstede-insights.com/product/compare-countries/)
would be different hence needing cultural factors to moderate many aspects of consumer’s buying behaviour. Among the potential factors that need to be considered are self-identity, normative influences, suppression of emotion, and postponement of gratification. The results of this study concurs with Gentina et al (2014)’s study that regional level factors (individualism–collectivism) and individual cultural difference factors (independent–interdependent self-concept) systematically influence purchasing behaviour. Here, this study conjectures that national culture preference could be the key to provide ultimate purchasing experience for Gen Y.

Many scholars emphasised that culture plays an important influence on consumers responses store atmospheric (Davis and Lindridge, 2008; Petermans and Huerta, 2014). Given Hofstede’s cultural dimension as a reference point, the identification could be an advantage in enhancing the retail space quality and experience. For example, potential provision of leisure and consumer space on top of the hierarchy space could give relaxed attitude to consumers whilst tangible and easy access could give clear communication of fashion with reference group (immediate group of people such as close family or peers for society insight). High connectivity to social media could also create trust and high-end services in purchasing the new fashion’s apparel whilst input from customers through media socials could customized customers’ preferences and therefore yield confidence in customers’ purchasing decision.

2.3 Retail Typologies

While multichannel emphasizes on retailers’ intense presence in different channels, the Omni channel focuses on synergy and integration of available channels to streamline customer interactions and retailer control across channels (Li et al, 2018). During the past few years, an increasing number of retailers are making efforts to developing omnichannel strategies (Accenture, 2017). For example, Suning Appliance Company Limited - a consumer appliances retailer with the biggest market share in China - launched its omnichannel strategy in 2012 (Cao, 2014). One of Suning’s omnichannel strategies – promoting loyalty program across channels - helped Sunning to recruit 500,000 new members and gained a 100% growth in online sales from the previous month. A report by Accenture (2017) showed that the perceived value of omnichannel experience could increase customer loyalty, business revenue, and business agility. The academia also attaches great importance to omnichannel management and ranked it third on topic importance in service research (Ostrom et al., 2015).

Many previous scholars developed retail typologies that are segmented to consumers based on different shopping channels. For example Mehta, Sharma and Swami (2014) developed typologies that defined physical hypermarket for shopper motivation in traditional store; while Frishammar et al (2018) identifies omnichannel typology ecosystem strategies for shopping malls. In addition, Rao, Dovey, and Pafka (2018) expand the re-integration of retail resilient typologies in urban development; while Sebald and Jacob (2020) develop a curated fashion shoppers typology based on shopping motivations. However, there is no study that supports shopping channels typology that accurately justify consumer behaviour.

A study by Breazeale and Lueg (2011) discover the categories of retail typologies based on consumers’ shopping motivations. The shopping motivation is self-esteem (SE) which is the confidence and satisfaction of consumer personality that impact his/her behaviours. SE is considered an important motivator that could easily enhance consumer’s purchasing decisions. Wong et al (2012) find that shopping motives, store attributes evaluation and shopping enjoyment are equally important in engaging shopping motivation among young consumers. In the same vein, Parker and Wang (2016) have identified that personalizes services and effective purchasing processes are pertinent to motivate purchasing of consumers. This interpersonal services and processes facilitate interaction with members of one’s social network to buy a product/service (Aladwani, 2018). Scholars have identified that peers and relatives are the consumers’ point of socialization during purchase (Lim et al, 2017; Johnson Jorgensen and Ha, 2019); whilst Coshall (2000) find that culture shapes consumers’ behaviour to shop in a familiar or extroversion environment to ease relevant purchasing decision-making process. Shavitt and Cho (2016) suggest that prediction of status and spending power is pertinent in retail development. Gilboa and Mitchell (2020) find that culture shapes the nature of shoppers’ profiles. However, Roos (2019) does not find any relation between e-shopping frequencies and the personality of internet consumers.

In summary, with the advancement of technology such as the Internet, retailers must acknowledge the possible symbiotic relationship between various shopping channels and consumer’s shopping motivation. Consumers’ shopping channel is the relation between extraversion consumers and their behaviour. The two traits can be related to interpersonal communication in consumer socialisation process–current active activities by younger generation (Breazeale and Lueg, 2011). Despite the different consumer typologies which exist in various generation, Wenzel and Benkenstein (2018) believe that such typology could give consumers’ positive motivation based on their preferences in the shopping channels. The culture index has a significant impact on consumer purchasing behaviour which has redirect retail typologies in the industry. Here, this study posits that contextual Omni channel retail space design could enhance Gen Y’s motivation and shopping experience.
3. METHODOLOGY

The conducted literature review led to the development of theoretical understanding of the interactive retailing with respect to target the consumers’ shopping preferences in terms of aesthetic, functions, commercial, financial and regulatory aspects. This study of Omni–Channel as an interactive concept together with fashion retail design are examined in detail to identify the factors that influence Gen-Y’s purchasing behaviour and thus boost the Gen-Y’s decision making. The paper then presents on how national culture could affect the present retail typologies and redefine the retail space programming into an interactive physical retail. In conclusion, the paper discusses on the potential theoretical concept for fashion retail design to align towards advanced technological changes and demands. This would build the recommendation of the Omni–Channel shopping concept with fashion retail design in reaching the ultimate shopping experience specifically for Gen-Y. This study would like to seek the answer to what the contextual-omni fashion retail space programming preferences are, that could enhance consumers’ Gen Y purchasing behaviours in Malaysia.

4. DISCUSSIONS

From the above literature, this study sees potential opportunities in amalgamating Omni–Channel concept with fashion retail design. The amalgamation could result in the ultimate shopping experience for Malaysian Gen-Y. From the literature, retail stores need to include the preferences of the technology savvy Gen-Y. The matter will further discuss the interactive Contextual Retail Design (CRD).

4.1 National culture to shape retail space programming

Shopping experiences requires integration of various kinds of processes and responses that could influence criteria such as designed environment, situation and consumer characteristics. Since culture plays a significant role in creating retail atmosphere, the retail design of Malaysian stores needs to respond to its contextual needs and culture. Through the literature review, the study believes that the future design of retail store needs to emphasize on the national culture characteristic rather than on selling the product alone. For example, high PDI consumers would require personal and collective space for the consumer in reference to seek for influential opinions, low IDV consumers would need facilities to search information in cross channel platform, gender customization and facile space to introduce new fashion apparels to the society for high UA consumers to gain confident in purchasing. Here, the five culture preferences could be the CRD pillars supporting the retailer to identify necessary needs for Gen-Y to shop.

4.2 Redirecting future retail typologies

The Internet has become a crucial part of Gen Y’s shopping lifestyle. This study foresees that the Omni-CRD could deliver a borderless cross-channel service system and product display via the proliferation of IT savvy accessories (such as WIFI, mobile apps, social media, Augmented reality, Virtual reality etc.) in the physical store. The mentioned approaches could instil better purchasing power to consumers through the reduction of uncertainty, accurate evaluation and customisation of fashion apparels. For instance, a store with a comfortable semi–public interactive-mirror display would constantly enhance the shopping experience (Herhausen et al, 2015).

Omni–CRD is capable in gathering, analysing and storing consumer’s in–store customization hence aiding retailers to map consumers’ purchasing behaviour. This could then assist retailers to identify the interior retail design layout while prioritising the consumers’ demands together with supplementary from other online counterparts. Online purchasing could further aid consumer to self–collect purchased items, allowing the consumer to examine the purchased product virtually or physically without having to enter the store. These could give a new breath in fashion retail design especially in the Malaysian context as the society is always passionate for innovative and latest trends.

5. CONCLUSION

Despite the current findings of Verhoef, Kannan and Inman (2015) and Mustakallio (2015) regarding the tenets of digital and physical stores, it appears that there is a lack of clear conceptualisation and support in defining the future of retail design. In this study, the authors choose to use the literature review as the research method to study the Malaysian Gen-Y purchasing behaviour in responding to their contextual retail designs.

This study recommends that amalgamation of Omni retail concept and CRD to be regarded as important developments in the current commerce. This study also focuses mainly on Malaysian Gen-Y and its purchasing behaviour which has become the main component of Omni-CRD. The authors conclude that the amalgamation of the two ecosystems can create a holistic shopping environment that will further enhance and boost the Malaysian Gen-Y shopping experience. The recommendation of Omni-CRD will provide more accurate data that will benefit retailers to manage and forecast demands. The results of this study are in agreement with Mustakallio (2015) which postulates that the future of retail design would need to include social interaction and entertainment to invoke consumer social emotion for inclusiveness. The result of this study can be further used by the Malaysian architects and designers to implement successful retail design whilst fulfilling the contextual consumers’ shopping needs and boosting local retailers’ revenue.
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